

Request for Qualifications Responses to Written Questions July 2008

Following are responses to written questions, regarding certification requirements and general questions, to individuals or organizations interested in being certified to become a Fiscal/Employer Agent (F/EA) or Financial Management Services (FMS) Agency-With-Choice (AWC) provider for individuals participating in Self-Directed Services (SDS).

1. Q. It seems as though the AWC has responsibility to recruit service providers, if so what is the role of the Service Broker? It states in Section II B *Scope of Services* #3c. [FMS AWC]: "Supervise their service workers day-to-day activities." This seems like the role of the Service Broker (SB) and/or would be cumbersome for the AWC to provide someone too physically in the field to supervise a service provider's activities. Please describe how you define "supervise" in this situation.

A. As defined in the waiver, the service specification for the FMS AWC provider includes the following:

Providing the following co-employment services, when a participant or his/her representative chooses not to perform the function(s): *(The FMS AWC provider may also refer service workers as requested by participants for consideration for assignment to the participant)*:

- a. Recruit and hire service workers.
- b. Set terms and conditions of work.
- c. Supervise their service workers day-to day activities.
- d. Evaluate service workers' performance.
- e. Discharge service workers.

Depending upon the choice made by the participant, the respective rate for the FMS AWC provider and Supports Broker will be agreed upon between the participant, Supports Broker and FMS.

2. Q. What have DDS and Pilot SDS regional centers learned from the pilot Self-Determination services?

A. California's Pilot Projects provided the Department of Developmental Services (Department) with invaluable information. Each regional center applied the self-directed principles to create uniquely different, but somewhat similar programs. Operational and administrative mandates were limited, allowing programs the flexibility to test new concepts for future application. The variety of program processes and procedures tested yielded positive results. Participants in the pilots reported high satisfaction with this unique

service delivery system. Consequently, the Department responded to sponsor legislation that expanded self-direction to all 21 regional centers. For more information about our self-determination pilot project, please refer to our web site at www.dds.ca.gov/SDS. The site contains information from the pilot projects and the legislative report prepared by the Department upon the conclusion of the pilot studies.

3. Q. What specific changes have been made to, or should be made to FMS Services since the beginning of the SDS pilot program and now and why?

A. There have been a number of changes over time as the SDS program took shape. Most significantly was the passage of law that authorized the Department to provide SDS statewide, contingent on the approval of a federal waiver by the Centers for Medicare & Medicaid Services (CMS). The federal waiver, once approved, will allow the Department to seek federal funding. The Department submitted a Home and Community-Based Services (HCBS) Waiver application with request for designation as an “Independence Plus” (IP) Waiver. The HCBS IP Waiver application template was designed by CMS in response to the states desire to provide SDS. It is the Department’s responsibility, with the oversight of the Department of Health Care Services (DHCS), to ensure that all SDS Waiver services are provided in accordance with Medicaid statute and regulation. A requirement of this waiver is that the state must provide FMS and SB services. Requirements for the FMS are contained in the State’s HCBS Waiver application. For further information regarding the HCBS Waiver application, refer to our website at www.dds.ca.gov/SDS.

4. Q. In a recent e-mail answering some previous questions, it was stated that the average statewide cost for SDS FMS providers was \$83 per consumer per month x 10.12 Units. Can you explain what constitutes a unit?

A. This figure is included in the State’s HCBS Waiver application as a component of a required cost estimate. One unit is one hour per month assuming an average of \$83.00 per month. This amount is only an estimate and not a recommended rate. In SDS, it is anticipated that the participant will seek the most cost effective rates that are customized to meet their needs.

5. Q. Also, can you confirm that the individual budget covers all Fiscal Contract Service Costs as well as all Employer of Record Costs (Workers' pay, payroll taxes and Workers' Compensation and any other worker related costs like mileage or Contractors' pay)?

A. Yes, the individual budget will cover all expenses that are agreed upon by the planning team and documented in the participant’s

Individual Program Plan (IPP). Costs such as those listed in this question, should be included in the rates and wages that are negotiated between the participant, service provider, and the FMS AWC provider, as applicable.

6. Q. Is the statewide average stated above basically reimbursing the FMS for all administrative or overhead costs involved in running the FMS program?

A. The actual service rate charged to the participant will be agreed upon and documented in a service agreement between the participant and the FMS provider.

7. Q. Will there be adjustments to individual budgets when minimum wage goes up and it affects worker/contractor pay, respite related mileage reimbursement goes up, and if there are changes in law that affect other employer or contract costs such as the proposed Federal Legislation to eliminate the personal attendant overtime exemption.

A. No, the individual budget methodology may be calculated no more than once in a 12-month period. Each year the participant can have the individual budget recalculated. The individual budget recalculation is based upon 90 percent of the annual per capita purchase of service costs for the previous two fiscal years for consumers with similar characteristics, who do not receive services through SDS. The participant has the choice of maintaining the existing individual budget amount or of taking the new individual budget amount. The budget will increase only as a function of increased per capita cost calculated as described.

8. Q. In the last couple of months, I've contacted most of the Pilot SDS Regional Centers as well as DDS to ask for contact information for organizations that have provided FMS during the pilot period. To date, I have not received any responses to this request. I was hoping to learn as much as possible from FMS agencies with experience. Is there a reason why contact information hasn't been provided?

A. The questions sent in by interested agencies are being compiled and responses to all the questions will be posted on the Department's web site. The utilization of the FMS was unique to each pilot and is not necessarily consistent with FMS requirements in the HCBS Waiver application. Therefore, the experience of the Self-Determination pilot projects may not be relevant. Please refer to the Department's web site at www.dds.ca.gov/SDS to read more about the Self-Determination pilot project.

9. Q. Micro-Business: If an SDS consumer wants to start a micro-business, are they responsible for the typical and customary costs (their own organizational insurance, payroll and payroll taxes including Workers' Compensation, general cost of doing business, like having a business phone, home office, etc.) Do these costs come out of their Individual Budget? Is the FMS agency responsible for any of these costs besides what would be considered overhead for Employer of Record and/or Fiscal Agent services? If their micro-business generates a profit over a period of time; does the business begin assuming expenses that may have come out of their Individual Budget?

A. In the HCBS Waiver application, Appendix C-3, page 6, the supports for employment including starting a micro-business are described as follows:

3. Employment services also consist of services that assist a participant to develop a business and become self-employed.

This assistance consists of:

- a. Assisting the participant to identify potential business opportunities.***
- b. Assistance in the development of a business plan, including potential sources of business financing and other assistance in developing and launching a business.***
- c. Identification of the supports that is necessary in order for the participant to operate the business.***
- d. Ongoing assistance, counseling and guidance once the business has been launched.***

Within the foregoing scope of services, the participant, in consultation with the planning team, may specify in the IPP the scope and nature of the employment supports that enable the participant to secure and maintain integrated employment or self-employment in the community. Participants shall specify desired employment outcomes and the necessary skills and capabilities of the provider(s) who furnish employment supports. Other costs associated with starting a micro-business may be off-set by assistance from generic sources such as small business administration loans, the State of California Department of Rehabilitation assistance and other sources including the IB. The supports provided under the employment section are intended to assist the participant from a consultative perspective, not with the actual business operation.

10. Q. FMS Agency's Responsibility for Independent Actions Taken by Consumer: If an SDS consumer and their family (consumer still lives at home) don't like all the rules that come with the responsibilities of being an employer, or purchase of independent contract services requiring 1099s and want to simply receive money every month so they can hire their own worker and make their own rules, is this an acceptable option? If so, can the FMS agency ask the consumer/family to sign a liability release related to

A. The consumer cannot sign a liability release. Following is a brief summary of the three types of FMS provider responsibilities. All three types of FMS providers are required to abide by all employment and tax laws.

- **F/EA – In this model the participant is considered the legally responsible employer (common law employer) of workers whom he or she (or his or her representatives) hires, supervises and discharges directly. The participant or his representative is liable for the performance of necessary employment-related tasks. The F/EA supports the participant by performing necessary payroll and other employment related functions.**
- **FMS AWC – Under this approach, the participant is supported by an agency that functions as the common law employer of workers recruited by the participant. The participant is considered the managing employer. The FMS AWC model conducts all necessary payroll functions and is considered legally responsible for discharging the employment-related functions and duties.**
- **Designated (non-paid) provider – This agent is designated by the participant to act as his or her fiscal agent and is not compensated for their services through the individual budget or from the regional center. The designated fiscal agent functions as the agent to the common law employer or his or her legal representative in accordance with relevant federal and state tax laws.**

11.Q. What if the consumer/family insists on contracting directly with a service agency without using the FMS agency. Can they do that and if so, can we ask them to sign a liability release related to their refusal to participate in the FMS agency's Fiscal Agent program and accepting all responsibilities for the same?

A. It is a requirement of the SDS that the participant or their representative utilize the services of an FMS provider.

12.Q. Participation in the IPP Process after the initial referral of an SDS
Consumer: Would an FMS agency be invited to an IPP by the Case Manager or Service Broker if it was deemed necessary or if the FMS Agency requested it? (There are times when more information is needed than a written report.)

A. The FMS may attend an IPP planning team if the participant chooses to invite the FMS.

13.Q. Co-Employment Responsibilities: Let's say that as an FMS AWC Agency, we have already provided the consumer with training about their role and

responsibilities as a co-employer and afterwards the SDS consumer had exhibited inappropriate personnel management behavior as a co-employer that might compromise their success in the SDS program as well as place the FMS AWC agency at risk (Wrongful Termination, Discrimination, Harassment, etc.). What authority does the FMS AWC agency have to discontinue services or request an emergency IPP meeting with the Service Broker or Case Manager?

A. The FMS AWC is responsible for establishing policies and procedures regarding participant enrollment and disenrollment with the FMS. The FMS can specify in the agreement under what conditions the FMS may terminate services to the participant. In the event of a termination of services, the FMS will need to notify the participant and the regional center. At any time, the regional center or participant may request a planning team meeting to discuss the delivery of services.

14.Q. Questionable Worker: Let's say a SDS consumer wants to hire a worker that a FMS agency knows has work performance issues with previous employment situations that would affect the quality of care to the SDS consumer and is ineligible for rehire with another agency. After sharing this information with the consumer, Case Manager or SB, if the consumer is intent on still hiring this worker, is the FMS agency required to do so? Who has the final authority in hiring/termination of employees?

A. The FMS AWC is the Employer of Record with ultimate authority to hire and terminate employees. Again, respective responsibility for hiring should be included as part of the agreement between the participant and the FMS as well as in the FMS agency's policies and procedures. All FMS providers have the responsibility to verify provider qualifications as a requirement, consistent with the HCBS Waiver application.

15.Q. What are the most common place barriers to SDS consumer success in the FMS AWC program? What general success stories can you share about the FMS AWC program? What meaningful outcomes have FMS AWC consumers experienced? What general success stories can you share about the FMS AWC program? What meaningful outcomes have FMS AWC consumers experienced?

A. It has been reported to the Department that there are some advantages and some challenges.

Advantages

- **A participant who is uncomfortable with providing employer-related duties may prefer utilizing an FMS AWC to assist with these duties.**

- The FMS AWC provider can work directly with the participant to assist with recruitment, hiring and discharging of service workers, and providing referrals of individuals for consideration for assignment.
- The FMS AWC provider can offer a high level of participant choice and control while providing a variety of service and supports.

Challenges

- There is potential for service workers to experience confusion regarding who is their boss.
- If the FMS provider does not structure their operation in accordance with the principles of self-direction, the program will perform as a traditional service.

16.Q. How many F/EA vendors does the Department expect to certify and do business with?

A. The Department does not intend to limit the number of applicants that may be certified and available to provide services. The Department will review and evaluate all applications to determine qualifications, as appropriate, and issue the letter of certification. A list of certified FMS individuals and entities will be made available to the regional centers for consideration of vendorization. Certification by the Department does not guarantee vendorization by a regional center. Before providing services to a participant, the FMS must be vendored by a regional center.

17.Q. Are the 164 participants in the first year all using F/EA services?

A. The participant is required to select and use an FMS and may choose amongst the three types of FMS entities (F/EA, FMS AWC or a Designated Fiscal Agent). A change in the prior estimate (from 164) to 1,300 participants was approved in the Governor's 2008-2009 May Revision.

18.Q. How are the 1,300 participants spread across the 21 regional centers?

A. The Department projects the number of individuals enrolled at a specific regional center will be in relation to proportional size of that regional center. However, it's important to keep in mind that the number of participants anticipated to enroll in SDS is an "estimate"; the number of participants may fall beneath, or conversely, exceed the estimated amount.

19. Q. Are there currently any vendors certified and/or providing F/EA services for the Department?

A. Currently there are no state-certified vendors providing F/EA or FMS AWC services. To clarify, FMS providers do not provide “services for the Department.” The Department conducts certification prior to regional center vendorization. Following vendorization, the participant may hire an FMS. For more information on the relationship between the Department and the regional center system, visit the Department’s web site at www.dds.ca.gov.

20. Q. [FMS AWC] II.C. Pg 7: Please send via email if possible, or state the web address where it can be obtained, the required criminal history background clearance (CHBC) form referred to on page 8.

A. These forms are available and can be obtained by contacting:

**Stella Bertrand
Department of Developmental Services
1600 9th Street, MS 3-13
Sacramento, CA 95814
(916) 654-3696
FAX (916) 654-2192
Stella.Bertrand@dds.ca.gov**

21. Q. [FMS AWC] II.C. Pg 7 & V.6 Pg 17: Would confirmation that a FMSA Program Director has been approved as a Payroll Agent with the IRS, which included a fingerprint CHBC, is acceptable for fulfillment of these two requirements, especially in light of the minimal time available to submit and receive a clearance?

A. No. Each applicant must receive a Department criminal history records clearance application. Consequently, the Department will obtain initial and any subsequent information regarding the status of the application directly from the Department of Justice.

22. Q. [FMS AWC] III.B. Pg 8 & 9: Is there a preferred format and/or font size for the application document?

A. The Department recommends that the application format include a Table of Contents and the document is organized consistent with the Request for Qualifications order of headings and sub-headings. All text is recommended to be in Arial, 12-point font. However, an application for certification will not be rejected based upon format and/or font size.

23.Q. Are the prospective payments referenced here for (client services) processing funds and/or the F/EA fees only?

A. The individual budget will cover all expenses that are agreed upon by the planning team and documented in the participant's IPP. Costs such as those listed in this question, should be included in the rates and wages that are negotiated between the participant, service provider and the FMS AWC provider, as applicable.

24.Q. Will it be acceptable to complete the registration to do business in California by the Readiness Review? Will it be acceptable to provide the certified copy of the "Certificate in Good Standing" from the California Secretary of State by the readiness Review, especially in light of the short turnaround for submission of a proposal? b (I.A. Pg 2) Since Certification by DDS does not guarantee that an F/EA will be vendored by a regional center, is it acceptable for a proposing, out-of-state F/EA to submit registration paperwork to do business in California after being approved for Certification and/or negotiating a vendor agreement with a regional center(s).

A. An applicant must submit with their application either proof of registration as a California business, or proof of having applied with the Secretary of State to do business in California by the application deadline. If the applicant has met all other RFQ requirements, the certification will be held as pending until the Department has received the applicant's registration from the Secretary of State to do business in California.

25.Q. [FMS AWC] II.C.4. Pg 13: Who is the expected author of the statement that certifies the F/EA is in good standing as a Medicaid Provider?

A. A self-certification that the applicant is in good standing as a Medicaid provider will be sufficient. However, it should be noted that in signing the affidavit for certification, the agency making a legal commitment that all information is true and complete.

26.Q. [F/EA] XI.A.2. Pg 23: Is a California location a requirement?

A. The Department requires a California business location in order to be certified as an F/EA or FMS AWC provider.

27.Q. [F/EA] XI.F. Pg 25: Will an F/EA be required to provide face-to-face employer orientation and training?

A. The FMS is required to provide orientation, and standard and individualized skills training regarding recruiting, training, managing and discharging employees, as requested by the participant. Face-to-

face orientation and training is not a requirement. However, the RFQ does require that the F/EA staff and service workers communicate effectively with a diverse population of participants.

28. Q. [F/EA] XIII.A.1. Pg 27: Please confirm that the F/EA will receive an advance of service funds to make payments and payroll for participant services. It appears that services will be delivered and invoiced to the F/EA, the F/EA will submit for an advance of service funds, and then upon receipt of the applicable funds the F/EA will pay the vendor invoice and/or payroll. Is this a correct understanding of the Department's intent?

A. California law (Welfare and Institutions Code, Section 4685.7(h)) states that a regional center may advance funds to an FMS. Additionally, the draft regulations allow the regional center to advance up to 25% of the participant's individual budget during the first quarter of the participant's individual budget year.

29. Q. [F/EA] Addendum 1. Pg 33:

- a. #6. If only one F/EA project has been initiated within the last 24 months is it acceptable to include letters of reference from the most recent new project whatever the timeline (i.e. 36 months)? Or would a non-F/EA project letter of reference be acceptable or preferable?
- b. #4. Is a Registered Business Agent an acceptable local representative?

A. The applicant, at a minimum, shall submit two letters of reference from customers for projects initiated in the last 24 months. The Department is not familiar with the term Registered Business Agent.

30. Q. [F/EA] Addendum II. Pg 37: Much of the evaluation criteria include measures which would be addressed during a readiness review. Is it the Department's expectation that every single criteria needs to be met in order for an F/EA to be considered for Certification?

A. The evaluation criteria include measures which would be necessary to verify that the applicant is "ready" to conduct business in California as an F/EA. All of the standards and qualifications set forth in this RFQ must be met in order for an F/EA to be certified by the Department.

31. Q. Is it acceptable to provide only one copy of the manual for reference and/or to provide an electronic copy of the manual?

A. The Department is requiring that each submission consist of an original and seven (7) copies of the application PLUS one electronic copy on compact disk.

32. Q. Is it acceptable to provide the vendor's current policy and procedure manual with references to future updates for California's program specific protocol and procedures, the addition of any required forms not readily available, and perhaps draft procedures for California?

A. The Department requires that the application include all the requirements as specified in the RFQ, all California specific protocols and procedures must be present in the document submitted. In order for an applicant to become certified to be an FMS in California, an applicant must show compliance with California state laws and regulations in order to do business in the State of California. This is one of the requirements that must be met in order to receive a letter of Certification as an FMS.

33. Q. Is the Service Broker certification Available?

A. Not at this time. The Department will notify stakeholders when the Supports Broker on-line training is available. The Supports Broker "certification" will be in the form of an on-line Supports Broker training that will be accessible from the Department's web site. Completion of this training will require passing an on-line examination which for successful applicants will result in a certificate and inclusion in an on-line registry of Supports Brokers in California.

34. Q. Is there any opportunity to receive an extension for the deadline to submit the RFQ for SDS.

A. The deadline has been extended to July 30, 2008.

35. Q. Can you briefly explain the difference between F/EA and AWC provider certification?

A. The definition of the F/EA and the FMS AWC provider is included in the HCBS Waiver application. For easy reference, the Department has posted the definitions on its web site at www.dds.ca.gov/SDS.

36. Q. If an SDS Consumer wants to do something that is not included under our required insurance policies, will SDS fund insurance specific to this activity out of their individual budget? If so, can the FMS agency ask the consumer to sign a liability release as well as have their agency named as additional insured?

A. As part of meeting provider qualifications to be an FMS, the agency or individual must provide proof that insurance coverage indicating the amount and term of the coverage as described in the Request for

Application Checklist of Required Application Documents. The participant cannot sign a liability release.

37.Q. Would you please provide a copy of the Memorandum of Understanding between the vendored F/EA and the vendoring regional center? Will these MOUs vary by regional center or is there a statewide standard?

A. This will vary by regional center. There is no statewide standard.

38.Q. Will program business rules remain consistent throughout the entirety of the regional centers or are program rules up to the discretion of any one regional center? If there are statewide program rules for making, pending and rejecting requests for payments, please provide them. If not, when will they be developed by the regional centers?

A. Although the Department is unsure what is meant by “program rules,” the process for invoicing will be consistent statewide, although the timeframes for completing the process will vary among individual regional centers. The draft regulations for SDS indicate that invoices should specify the type of service, date, actual service time and location, and amount of service. Invoiced services and supports must also be consistent with the participant’s IPP.

39.Q. Can you provide detail on the means by which the F/EA will receive consumer budget authorizations, service authorizations, and service rates? Will they be provided in bulk via the regional centers/SANDIS?

A. There will be a Purchase of Service (POS) authorization for each participant in SDS, which will be sent by mail to the FMS. Authorizations will be updated when the FMS enters information into the SANDIS computer system. These authorizations will not be provided in bulk through the SANDIS computer system.

40.Q. Please list all electronic files that will be exchanged between regional centers/SANDIS and the F/EA.

A. There is no exchange of electronic files between the FMS and regional centers. The FMS will submit claims for reimbursement by directly entering data into the SANDIS computer system.

41.Q. What will be the process for testing the transmission of authorized budget data from the SANDIS system to the F/EA? How does this differ if participants choose to utilize both FMS provider types (F/EA and AWC)?

A. There is no transmission of data from SANDIS to the FMS. The FMS can view the amounts for their respective participants by logging into

SANDIS. When two FMS provider types are used by the participant, the F/EA is responsible for entering the data.

42.Q. Service Payments: Please clarify the process the F/EA will use to pay payroll and invoices. Section IV indicates that this may be accomplished by reimbursing the F/EA for claims paid, or alternately, Section XIII indicates that it may be an advance from a regional center

- a. Who determines the method of service payment, the regional center or DDS?
- b. If done as a reimbursement to the F/EA, what amount of service funds should the F/EA expect to finance on a monthly basis per participant?
- c. Please provide detail on the workflow associated with submitting invoices through SANDIS
- d. What is the role of the regional centers/case managers in approving invoices for goods and services?

A. All invoices flow from services and supports providers to the FMS. The FMS reviews the invoices (timesheets) of all providers to verify that: the record specifies the date, actual service time, locations, unit(s) of service, cost and nature of the services provided, as appropriate. The services and supports must be the same as verified in the service provider's qualifications and as specified in the participant's IPP, which has been approved by the regional center. The FMS submits invoices of all services and supports provided, including FMS services, to the participant for approval. The participant, with any needed assistance from the Supports Broker, is responsible for determining that the charges are allowable. The FMS pays the approved invoices for all services and submits claims for reimbursement directly through the SANDIS computer system to the regional center. These reimbursement claims are hand entered into the system and must include a unique service code for each service and support. The FMS must maintain related information sufficient to establish and maintain an audit trail back to the provider of services and supports to the participant.

43.Q. Please provide a copy of the individual budget (IB) format.

A. The SANDIS computer system has an individual budget format that is based on the six budget categories for SDS as stated in California law (Welfare and Institutions Code, Section 4685.7(e)(3)). Once the amounts for these categories have been agreed to by the participant and the regional center, they can be viewed by respective FMS providers when they log into SANDIS.

44. Q. What will be the average size of the individual budgets?

A. The size of individual budgets will be determined by the individual budget calculation methodology as described in California law (Welfare and Institutions Code, Section 4685.7(e)(1)).

45. Q. What percentage of the budgets do you expect will include only directly hired staff?

A. The Department is unable to estimate this.

46. Q. Please clarify the respective roles of a. DDS, b. Regional Centers, and c. Participants in establishing the F/EA rate.

- i. Are the rates proposed in this RFQ and subsequently published through the certification process further negotiated during vendorization with a regional center?
- ii. The language in III.A.2 [F/EA and FMS AWC] implies that consumers will negotiate rates. Does this mean that there is no standard rate negotiated by the regional center?

A. There will be a range or a schedule of rates established through the certification process. The final rate will be determined in negotiation between the participant and the FMS and must be consistent with the certified rate schedule.

47. Q. The RFQ implies that there will be situations where a participant will have to engage both FMS models. When one consumer is working with both an AWC and an F/EA provider, describe the interaction required between the two FMS vendors.

- a. If both FMS services are used, which one is responsible for overall management of the Individual Budgets and overall reporting on budget expenditures versus authorizations?

A. The F/EA.

- b. Footnote 8 on pg. 22 indicates that the F/EA will send reports and claims to the FMS AWC providers. Please explain this process and the details of the reports and claims mentioned.

A. Footnote 8 refers to a process whereby all parties share financial information related to each participant's individual budget.

- c. Assuming that a participant utilizes both an AWC and an F/EA provider could you provide an anticipated work flow between the F/EA- AWC and the Regional Centers with regards to budget transfers.

A. The F/EA would hold the budget and the FMS AWC would submit invoices through the F/EA.

48. Q. Is there a structure in place that would allow one FMS to provide both the full range of payment services (payroll, independent contractors, goods and services), as well as the employment supports described in the RFQ for AWC vendors? (Section IIB, paragraph 1 [F/EA and FMS AWC], indicates that the F/EA may provide “further assistance” as specified by the participant but does not provide additional detail).

A. Each applicant will have to determine the type of FMS that best fits their capabilities, resources, goals, etc. Please note that an applicant may obtain certification for only one of the two FMS types. The FMS AWC may provide payment and fiscal services in addition to employment supports.

49. Q. Training: Section F of the RFQ lists training requirements of the F/EA, many of which overlap with the training requirements of support brokers that are listed in Appendix C-3:63 of the waiver. Please clarify the respective roles of the F/EA and the support broker in training consumers and their representatives.

A. The F/EA and the Supports Broker would provide training to participants as employers consistent with their respective roles and responsibilities as specified in California law and the HCBS Waiver application. Consistent with these roles and responsibilities, the F/EA would focus on all documentation and legal requirements related to the management and direction in the distribution of funds contained in the individual budget and the completion of employment-related tasks. The Supports Broker would focus on training the participant in all areas related to making informed decisions and accessing, locating and coordinating services and supports that meet the participant’s goals and needs.

50. Q. Policies and Procedures: Section V11.A. and Addendum 1 pg 35 of the RFQ [F/EA] calls for a California specific F/EA Policies and Procedures Manual. We amend these for each client to take into account the workflow and the technologies requested by the client, much of which is undefined in this RFQ. Would this requirement be met by providing you with a copy of our P&P from other states?

A. See the answer to #34.

51.Q. We generally consider this proprietary work that we do not distribute publicly. Is there any possible exemption in this regard from the confidentiality policy in III.B [F/EA and FMS AWC]?

A. The Department is subject to the California Public Records Act (Government Code, Section 6250 et seq.). This statute requires, with few exceptions (see Government Code, Section 6254 for details), that all Department records be open for inspection and copying.

52.Q. What F/EA experience should the applicant have providing comparable F/EA services to a similar population for certification?

A. The applicant should have sufficient experience to meet FMS requirements as defined in the HCBS Waiver application. In addition, the applicant, at a minimum, shall submit two letters of reference from customers for projects initiated in the last 24 months.

53.Q. Define the assistance that the F/EA must provide to assist “with all claims related to workers compensation and state unemployment insurance”. Pg. 7 [F/EA]

A. The participant may need assistance with processing and following up with claims. For example, the FMS may assist the participant to gather information, complete required paperwork, and pay insurance premiums.

54.Q. If a participant chooses not to have a criminal history background clearance on employees will DDS use a “hold harmless” agreement with the F/EA? Pg. 7 [F/EA and FMS AWC]

A. By California law (Welfare and Institutions Code, Section 4685.7(r)) the participant is afforded this choice. However, once a criminal history background check is processed, and if a prospective or current service provider does not obtain clearance, the participant (or FMS) may not hire the individual. The participant (or FMS) is bound by the outcome of a background check.

55.Q. Who is responsible for paying any fees associated with the background clearance? Is it included in a pre-determined IB or is this cost assumed by the F/EA?

A. Prospective or current FMS service providers are responsible for paying any fees associated with the criminal history background check as part of doing business with the participant. The Department will pay for criminal history background checks of prospective or current service workers when a criminal history background check is requested

by the participant. There is no cost to the participant to perform criminal history background checks.

56.Q. What is the F/EA's role in credentialing providers (both employees and independent contractors)? Will it be the responsibility of the F/EA to collect credentialing paperwork and attest to it? Is this done via the Medi-Cal provider agreement?

A. The FMS is responsible for ensuring that prospective service providers meet applicable qualifications requirements, based on the services in the participant's IPP, the service definitions in the approved federal waiver, and the effective period of any license, credential, registration, certificate, or permit required to perform the type of service. As part of the verification process the FMS will be responsible for collecting and reviewing required documentation. In addition, service providers will be responsible for completing a Medi-Cal provider agreement.

57.Q. Will there be opportunities for being certified and vendored for FMS services after this initial RFQ?

A. Yes, the Department will periodically release an RFQ for certification of new FMS providers.

58.Q. According to the RFQ, page 15, Section IV [F/EA], the F/EA must exchange information with the SANDIS system used by all the regional centers. Does this system handle the enrollment and dis-enrollment of individual participants on the waiver?

A. Yes.

59.Q. Once a contract is signed between the F/EA and the participant, will this system maintain that information?

A. These are individual agreements and there is no electronic format for an agreement at this time. A copy of the agreement should be maintained in the participant's file.

60.Q. Can an X12 834 be used to exchange the enrollment- disenrollment of the individual participants?

A. No, this is a medical billing format and is not used for SDS.

61. Q. Can billing be done by submitting an X12 837 and receiving an 835 remittance advice? If the answer is no, does the billing and remittance advice have to be sent and received by mail?

A. No, this is a medical billing format and is not used for SDS. All billing and remittance will be handled via the SANDIS computer system. No paper mail is required.

62. Q. Will the regional centers provide electronically information on the participant's current IPP and IB? If not, how is the information to be monitored? If yes, is there a common format for exchange among all the regional centers or does each regional center determine its own format?

A. Only individual budget information is available electronically for viewing through the SANDIS computer system by FMS providers. No specific information regarding the IPP will be available electronically to FMS providers; however, the FMS will receive a hard copy of the IPP.

63. Q. Can the contract between the participant and the F/EA include a required time period in which the participant cannot switch F/EA?

A. No. The participant has a choice of providers, including the FMS.

64. Q. Will the regional centers have multiple F/EA's available for participants to choose and if so what is the process by which the participant selects an F/EA?

A. There are no limitations on the number of qualified FMS providers that may be available to provide services to participants. The participant chooses the FMS in consultation with the planning team.

65. Q. How does the applicant receive the Affidavit of Certification?

A. The Affidavit of Certification is a certificate that the applicant signs indicating that the information included in the application packet is true and correct to the best of their knowledge, and that all responses to the questions are full and complete, omitting no material information. The applicant may download this form from the Department's web site. If the applicant has met all of the standards and qualifications, including returning the signed Affidavit of Certification to the Department, the Department will issue a Letter of Certification. This Letter of Certification will be required in order to request vendorization from the regional center.

66. Q. Can a supported living agency apply to be certified as an FMS to provide services to provide both FMS and supported living services to the same consumers?

A. A supported living agency can apply and be certified as an FMS, provided the agency meets all of the requirements in the RFQ. If subsequently vendorized by the regional center, the agency would be available to provide FMS.

Supported living services, as *authorized in Welfare and Institutions Code and Title 17, California Code of Regulations*, are not defined in the HCBS Waiver application.